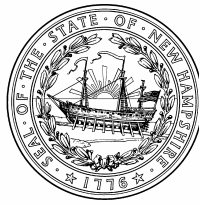


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STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION

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Concord, N.H. 03301-2429

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October 3, 2006

REQUEST FOR PROPOSALS

**NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
PROPOSAL TO SURVEY RESIDENTIAL AND BUSINESS TELEPHONE CUSTOMERS IN NEW
HAMPSHIRE REGARDING SERVICE QUALITY AND COMPETITION**

To Prospective Bidder:

The New Hampshire Public Utilities Commission (Commission) is seeking proposals from qualified firms and individuals to conduct a survey of residential and business telephone customers in Verizon New Hampshire's service area.

Pertinent dates and information are as follows:

1. Proposals must be received at the Commission prior to 4:00 p.m. on October 25, 2006. Direct inquiries and submit proposals to:

Jody Carmody
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord NH 03301-2429
Tel: (603)271-2431 Fax (603)271-3878
jody.carmody@puc.nh.gov

2. Follow-up conferences/interviews will be scheduled as needed.
3. An evaluation team consisting of Commission and/or other qualified personnel will be established to evaluate bidder responses to this bid proposal.

NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION REQUEST FOR PROPOSALS
To Survey Residential and Business Telephone Customers in New Hampshire

I. BACKGROUND

The New Hampshire Public Utilities Commission is an administrative agency with executive, legislative and quasi-judicial powers. The Commission's prime responsibility is as an arbiter between the public utilities and their ratepayers. Our proceedings in this regard address such areas as public utility rates, financing, terms and conditions of utility service, quality of service, safety and reliability, eminent domain matters, public utility exemptions from local zoning ordinances, public utility franchises, utility crossings of public lands and waters, rulemakings and consumer complaints.

On March 19, 2004, the Commission opened an investigation into Verizon New Hampshire's (Verizon's) quality of service and its performance relative to service quality standards established by Commission Order No. 22,484. *See* 82NHPUC30 (1997). A pre-hearing conference was held on May 11, 2004. Status conferences were held on February 9, 2006 and April 3, 2006 during which Verizon provided the Commission with updated information on its service quality performance and information on its customer satisfaction survey. Material pertinent to this Request for Proposals may be found at www.puc.nh.gov/Home/requestforproposal.htm.

II. SCOPE OF WORK

The Commission is seeking a qualified consultant to provide an independent assessment of the level of customer satisfaction regarding Verizon's quality of service. The purpose of the survey is to provide additional information to the Commission regarding the quality of Verizon's service and the expectations of Verizon's customers in today's market. The information gathered will also assist the Commission in determining how to proceed in its service quality docket, DT 04-019.

The consultant chosen to perform this work will, at the discretion of the Commission and in consultation with Commission staff, have several key tasks including, but not limited to, the following

- a. Construct, and conduct after Commission review, a telephone survey of residential and business telephone customers in Verizon New Hampshire's service area to collect data relative to service quality and competition. Specifically, the survey should address:
 - i. How customers rate the level of service quality provided by Verizon;
 - ii. How the level of service quality provided compares to customer expectations;
 - iii. Customer satisfaction with Verizon customer service representatives;
 - iv. How customers rate Verizon's responsiveness to service issues requiring Verizon repair;
 - v. The timeliness of Verizon in responding to a repair call;
 - vi. Customer knowledge of competitive options and the availability of such options;
 - vii. The impact of the availability of competitive options on customer satisfaction levels;
- b. Determine an appropriate sample size for the survey. The sample should be large enough to draw statistically valid results. There are approximately 570,000 Verizon telephone customers in New Hampshire.

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- c. Compile survey data and provide a report which would include, at a minimum, an executive summary that highlights findings and conclusions, the mean response by question, cross tabs by gender, income, age, average bill amount, rate group¹ and housing status, and detailed findings in tabular, graphic and narrative format.
- d. Submit draft report for review three months following the contract date. The final report shall be received by the Commission no later than two weeks after the submission of the draft report.

IV. COMPONENTS OF THE PROPOSAL

Proposals shall include the following:

- a. **Technical Plan and Approach.**
Provide a detailed plan explaining the methodology to be used for the survey including a timetable for implementation. The plan must include specific procedures and methods used in data collection, data analysis and the development of conclusions. Samples of the types of questions to be used in the survey should be included. Any additional proposals for unique services which the bidder offers should include a recommended timetable and budget.
- b. **Corporate/Company Information.**
Provide information concerning its corporate/company history; i.e., how many years in business, corporate officers or company principals, location of branch offices, professional and business association memberships, etc.
- c. **Personnel Assigned.**
Provide a list of all personnel who might be assigned to the project, including resumes and the nature of their specific responsibilities. During the course of the work, the Commission must be notified in writing of any substitutions or changes in personnel assigned to perform the work.
- d. **References.**
Provide a list of up to three references for work performed which is similar in scope or content to the one being proposed.
- e. **Detailed Budget Proposal.**
Provide the Commission with a detailed cost proposal that identifies the hourly rate for personnel and any associated expenses.
- f. **Statement of Disclosure.**
Any existing or potential conflicts of interest should be identified, including those that arise as a result of relationships or affiliations with telecommunications carriers. The consultant must submit a listing of all work performed on behalf of any telecommunications companies in the

¹ Verizon has 5 rate groups. There are approximately 570,000 retail access lines across the 5 rate groups. Rate Group A is .4% of the total retail access lines; Rate Group B is 2.9% of the total retail access lines; Rate Group C is 16.4% of the total retail access lines; Rate Group D is 35.5% of total retail access lines; and Rate Group E is 44.8% of total retail access lines.

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past three years.

V. SELECTION CRITERIA

Cost is a consideration but may not be the determining factor in the Commission's decision. In addition to cost, the Commission will consider the following criteria:

- a. Knowledge and practical experience that the organization possesses, including that of the staff and any subcontractors assigned to the project.
- b. Quality and extent of the bidder's experience and expertise in the area of communication and research as well as that of any subcontractors.
- c. Experience and qualifications of the individual who will be primarily responsible for reporting to the Commission.
- d. Experience and qualifications in providing similar services in New Hampshire as well as other states and to other utility commissions or regulatory agencies.
- e. Availability and accessibility of staff assigned to project, including physical proximity to New Hampshire.
- f. Ability to perform all of the major disciplines necessary to perform the work.
- g. Potential conflicts of interest.

VI. GENERAL BID CONDITIONS

- a. Bids must be typed. An original and 5 copies of the bid must be submitted. Bids that are incomplete or unsigned will not be considered.
- b. The deadline for submitting bids is 4:00 p.m. on October 25, 2006. Bids must be addressed to Jody Carmody, New Hampshire Public Utilities Commission, 21 South Fruit Street, Suite 10, Concord NH, 03301-2429.
- c. The Commission reserves the right to reject or accept any or all bids, to reject or accept all or any part of any bid, to determine what constitutes a conforming bid, to waive irregularities that it considers not material to the bid, to award the bid solely as it deems to be in the best interest of the State, to contract for any portion of the bids submitted and to contract with more than one bidder if necessary.

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- d. All information relating to this bid and any resulting order (including but not limited to fees, contracts, agreements and prices) are subject to the laws of the State of New Hampshire regarding public information.
- e. The consultant must agree to maintain confidential all information to which it has access until it is instructed otherwise by the Commission.

VII. CERTIFICATES

- a. Bidders will be required to provide the following certificates prior to entering into a contract:
 - Certificate of Incorporation (if applicable)
 - Certificate of Good Standing authenticated by the New Hampshire Secretary of State
- b. Once a contract has been executed by the bidder, a certificate demonstrating the signatory's authority to sign the contract and to bind the contracting entity to the contract must be submitted.

VII. FORM OF CONTRACT

The terms and conditions set forth in Attachment 1 (General Provisions Agreement) are part of the proposal and will apply to any contract awarded the bidder.

Any contract resulting from this bid proposal shall not be deemed effective until it is signed by the Commission.

When responding to this Request for Proposals, please include your ability to comply with Paragraph 14, Insurance and Bond, of the General Provisions Agreement. Please note that the Commission will allow substitution of professional liability insurance for part or all of the per incident comprehensive general liability insurance coverage. In addition, excess liability insurance in an equal amount may be substituted for up to \$1,000,000 of the per incident comprehensive general liability or professional liability insurance coverage. The State reserves the right to further waive or modify the insurance requirement in Paragraph 14 based on bids presented.

ATTACHMENT 1

2. EMPLOYMENT OF CONTRACTOR: SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1("the State"), engages contractor identified in block 1.3("the Contractor") to perform, and the Contractor shall perform, that work or sale of goods, or both, identified and more particularly described in EXHIBIT A hereto("the Services").

3. EFFECTIVE DATE: COMPLETION OF SERVICES.

3.1. This agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Council of the State of New Hampshire approve this agreement, whichever is later("the Effective Date").

3.2. Except as otherwise expressly provided for herein, all Services, including any reports required by this agreement, shall be fully completed prior to the date specified in block 1.6("the Completion Date").

4. CONTRACT PRICE: LIMITATION ON PRICE: PAYMENT.

4.1. The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B hereto.

4.2. The payment by the State of the contract price shall be the only, and the complete, reimbursement to the Contractor for all expenses, of whatever nature, incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

4.3. The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by RSA 80:7 through 7-C or any other provision of law.

4.4. Notwithstanding anything in this agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made, hereunder exceed the price limitation set forth in block 1.8 of these general provisions.

5. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS: EQUAL EMPLOYMENT OPPORTUNITY.

5.1. In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to civil rights and equal opportunity laws.

5.2. During the term of this agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap or national origin and will take affirmative action to prevent such discrimination.

5.3. If this agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor(41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State, the United States, or any designated representative of either, to have access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with the aforesaid rules, regulations and orders, and the covenants and conditions of this agreement.

6. PERSONNEL.

6.1. The performance of the Services shall be carried out by employees of the Contractor. The Contractor shall at its own expense, provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

6.2. The Contractor shall not hire, and shall permit no subContractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services, to hire any person who has a contractual relationship with the State, or who is a State officer or employee, elected or appointed.

6.3. The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this agreement, the Contracting Officer's decision shall be final.

7. CONDITIONAL NATURE OF AGREEMENT. Notwithstanding anything in this agreement to the contrary, all obligations of the State hereunder, including, without limitation,

the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of those funds, become available, if ever, and shall have the right to terminate this agreement immediately upon giving the Contractor notice of such termination.

8. EVENT OF DEFAULT; REMEDIES.

8.1. Any one or more of the following acts or omissions of the Contractor shall constitute and event of default hereunder("Events of Default"):

8.1.1. failure to perform the Services satisfactorily or on schedule; or

8.1.2. failure to submit any report required hereunder; or

8.1.3. failure to perform any other covenant or condition of this agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1. give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this agreement, effective two (2) days after giving the Contractor notice of termination; and

8.2.2. give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this agreement and ordering that the portion of the Contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor; and

8.2.3. set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and

8.2.4 treat the agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA: ACCESS; CONFIDENTIALITY; PRESERVATION.

9.1. As used in this agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recording, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2. On and after the Effective Date, all data, and any property which has been received from the state or purchased with funds provided for that purpose under this agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this agreement for any reason, whichever shall first occur.

9.3. All data shall be kept confidential by the Contractor, and the Contractor shall not disclose any such data as to any individual or organization without the prior written approval of the State.

10. TERMINATION. In the event of an early termination of this agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen(15) days after the date of termination, a report ("the Termination Report") describing in detail all Services performed, and the Contract Price earned, to and including the date of termination. To the extent possible, the form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this agreement the Contractor is in all respects an independent Contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT, DELEGATION AND SUBCONTRACTS. The Contractor shall not assign, or otherwise transfer any interest in this agreement without the prior written consent of the State. None of the Services shall be delegated or subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based on, resulting from, arising out of(or which may be claimed to arise out of) the acts or omissions of the

Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.

14. INSURANCE AND BOND.

14.1. The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, both for the benefit of the State, the following insurance.

14.1.1. comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per incident; and

14.1.2. fire and extended coverage insurance covering all property subject to subparagraph 9.2 of these general provisions, in an amount not less than 80% of the whole replacement value of the property.

14.2. The policies described in subparagraph 14.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modifications of the policy earlier than 10 days after written notice thereof has been received by the State.

15. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express failure of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure or waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Contractor.

16. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, above.

17. AMENDMENT. This agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire.

18. CONSTRUCTION OF AGREEMENT AND TERMS. This agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns.

19. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this agreement shall not be construed to confer any such benefit.

20. SPECIAL PROVISIONS. The additional provisions set forth in EXHIBIT C hereto are incorporated as part of this agreement.

21. ENTIRE AGREEMENT. This agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.